

VZCZCXYZ0010  
RR RUEHWEB

DE RUEHIN #0033/01 0050807  
ZNR UUUUU ZZH  
R 050807Z JAN 07  
FM AIT TAIPEI  
TO RUEHC/SECSTATE WASHDC 3630  
INFO RUEHBJ/AMEMBASSY BEIJING 6160  
RUEHHK/AMCONSUL HONG KONG 7392

UNCLAS AIT TAIPEI 000033

SIPDIS

SIPDIS

DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - DAVID FIRESTEIN  
DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A

TAGS: [OPRC](#) [KMDR](#) [KPAO](#) [TW](#)

SUBJECT: MEDIA REACTION: CROSS-STRAIT RELATIONS

Summary: Taiwan's major Chinese-language dailies focused their coverage January 05 on the scheduled operation of Taiwan's high-speed railway today. Another major topic in most dailies is possible locations for President Chen Shui-bian's transit through the United States. In terms of editorials and commentaries, an editorial in the pro-independence "Liberty Times" said that KMT Chairman Ma Ying-jeou should abandon his pro-China stance before carrying out any reconciliation between the pan-Blue and pan-Green alliances. An editorial in the pro-independence, English-language "Taipei Times" said in a neutral tone that Taiwan's economy is bad, and the unificationists and independence supporters should carry on an honest debate in order to protect and expand the economic gains of the past 30 years. End summary.

A) "Blue and Green Should Discuss Reconciliation on the Foundation of Taiwan's Sovereignty"

The pro-independence "Liberty Times" [circulation: 600,000] editorialized (01/05) that:

"[KMT Chairman] Ma Ying-jeou's recent remarks regarding reconciliation between the pan-Blue and pan-Green alliances did not receive support from the KMT and other political parties. ...

"... At first glance, Ma's remarks 'the KMT can even cooperate with the Communist Party of China (CPC); why can't the Blue and Green reconcile with each other' is reasonable. Actually, the mistake in his remarks is apparent, i.e., it seems that Ma Ying-jeou still cannot discern Taiwan's antagonistic relationship with China. In fact, it is the KMT-CPC cooperation that prevents the pan-Blue and pan-Green alliances from cooperating. ...

"For example, with regard to the budget of Taiwan's defensive arms procurements, the KMT considers that peace in the Taiwan Strait depends on China's goodwill, not on Taiwan's defense capabilities per se. Therefore, only through reconciliation with the Beijing authorities (actually, by making friendly gestures toward China) can peace be brought to the Taiwan Strait. The KMT, hence, has continued blocking the passage of the U.S. arms procurement bill. The party even considers that strengthening military defense is equivalent to provoking China and consequently jeopardizes Taiwan's security. If Ma Ying-jeou does not change this mentality, how can there be reconciliation between the Blue and Green?

"In addition, Taiwan is a global island; its economic development depends heavily on the global economy. Global trade is the path Taiwan should take; this is also the direction Taiwan has followed for decades. However, the KMT has changed the attitude it held while it was the ruling party and asserts that the future of Taiwan's economy is in China, and businesses that do not go to China will perish. The KMT has therefore pushed the government to relieve restrictions on investment in China. ...

"... Only after Ma Ying-jeou gives up his proposals of 'unification with China as the [KMT's] ultimate goal' and 'KMT-CPC cooperation' can the Blue and Green discuss reconciliation on the basis of Taiwan's sovereignty."

B) "The Myth of the Bad Economy"

The pro-independence, English-language "Taipei Times" [circulation: 30,000] editorialized (01/05) that:

"... Both unificationists and independence supporters stand to gain from portraying Taiwan's economic situation as dismal.

"From the unificationists' view, Taiwan is lagging behind China, and the only way to catch up is to seek ever closer ties. Meanwhile, the independence camp seeks to demonstrate that Taiwan's economy is already suffering because of its ties with China and hopes to limit interaction between the two.

"But, as is usually the case with narrow ideas, both of these views fall far short of offering any kind of reasonable plan for Taiwan's economic future.

"China is not a mountain of gold from which the nation's businesspeople can earn untold riches. The country has enough problems simply trying to lift its vast population out of abject poverty. Still, neither can Taiwan live in economic isolation. Although the popular press makes much of Taiwan's economic 'dependence' on Beijing, the reality is that all major economies are, in some degree, dependent on China. And China is economically dependent on them.

"Those who say 'China will solve all of our economic problems,' and those who say 'China is the root of all of our economic problems' are wasting our time. What Taiwan needs is an honest debate about economic engagement with China, while considering how best to

protect and expand the economic gains of the past 30 years."

WANG